



TENNESSEE REGULATORY AUTHORITY

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FOR IMMEDIATE RELEASE

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TRA APPROVES NONPROFIT TO OPERATE RED BOILING SPRINGS GAS UTILITY

NASHVILLE, Tenn. – By a unanimous vote on Monday, Tennessee Regulatory Authority directors certificated Community Initiative, Inc., a Cookeville-based nonprofit corporation, to operate the natural gas utility that serves Red Boiling Springs. RBS Gas Utility, Inc. was placed into receivership last May by the TRA when the utility faced shutdown for nonpayment to its supplier of natural gas.

If Community Initiative is granted a franchise from the City of Red Boiling Springs at Thursday's City Council meeting, Community Initiative can purchase the assets of RBS Gas Utility and take over its operation from the receiver in early March. If the franchise is denied, the receiver will have to significantly raise consumers' rates in order to continue the supply of gas.

"While no one likes to see their rates increase, the citizens of Red Boiling Springs may be faced with higher rates, or no gas service at all," TRA Director Ron Jones said.

"This step by the TRA ensures that the continuation of gas service to Red Boiling Springs gas customers will not be in jeopardy as it was last winter."

The day-to-day operations of the system will be handled by AUI, LLC, also of Cookeville, on behalf of Community Initiative.

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